

ND TEACHERS FUND FOR RETIREMENT
INVESTMENT PERFORMANCE REPORT AS OF JUNE 30, 2006

	June-06					March-06				December-05				September-05				Current	Prior Year	3 Years	5 Years
	Allocation		Quarter	Month	Market Value	Allocation		Quarter	Market Value	Allocation		Quarter	Market Value	Allocation		Quarter	Net ROR	Net ROR	6/30/2006 Net	6/30/2006 Net	
	Actual	Policy	Net ROR	Net ROR		Actual	Policy	Net ROR		Actual	Policy	Net ROR		Actual	Policy	Net ROR					
LARGE CAP DOMESTIC EQUITY																					
Structured Growth																					
LA Capital	69,996,955	4.1%	4.2%	-3.12%	0.11%	71,350,434	4.1%	4.2%	5.71%	67,240,887	4.1%	4.2%	3.41%	67,862,477	4.3%	4.2%	5.64%	11.88%	8.17%	N/A	N/A
Total Structured Growth	69,996,955	4.1%	4.2%	-3.12%	0.11%	71,350,434	4.1%	4.2%	5.71%	67,240,887	4.1%	4.2%	3.41%	67,862,477	4.3%	4.2%	5.64%	11.88%	8.17%	12.99%	0.19%
Russell 1000 Growth				-3.90%	-0.39%				3.09%				2.98%				4.01%	6.12%	1.67%	8.34%	-0.77%
Structured Value																					
LSV	72,182,058	4.2%	4.2%	1.29%	1.25%	71,786,036	4.2%	4.2%	6.61%	68,180,735	4.2%	4.2%	2.42%	67,425,742	4.2%	4.2%	4.82%	15.93%	18.24%	21.06%	12.29%
Russell 1000 Value				0.59%	0.64%				5.93%				1.27%				3.88%	12.10%	14.06%	15.70%	6.89%
Enhanced Russell 1000 Index																					
LA Capital	89,234,294	5.2%	5.3%	-2.49%	0.36%	90,858,817	5.3%	5.6%	5.15%	90,834,884	5.6%	5.6%	2.69%	91,092,260	5.7%	5.6%	6.84%	12.49%	7.39%	12.73%	3.75%
Russell 1000				-1.66%	0.13%				4.49%				2.12%				3.95%	9.08%	7.92%	12.05%	3.12%
Enhanced S&P 500 Index																					
Northern Trust	90,138,957	5.3%	5.3%	-1.32%	0.35%	90,661,868	5.3%	5.6%	3.98%	90,042,992	5.5%	5.6%	2.61%	88,811,633	5.6%	5.6%	3.85%	9.33%	6.02%	11.32%	2.81%
Westridge	94,170,764	5.5%	4.2%	-1.39%	0.15%	94,308,841	5.5%	5.6%	4.27%	90,109,298	5.5%	5.6%	2.10%	88,609,621	5.6%	5.6%	3.65%	8.80%	6.66%	11.46%	2.80%
Wells Capital	45,244,575	2.7%	2.8%	-4.06%	-1.82%	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Total Enhanced S&P 500 Index	229,554,296	13.5%	12.3%	-1.80%	-0.17%	184,970,709	10.7%	11.2%	4.12%	180,152,291	11.1%	11.2%	2.35%	177,421,254	11.2%	11.2%	3.75%	8.58%	6.26%	11.40%	2.76%
S&P 500				-1.44%	0.14%				4.21%				2.09%				3.60%	8.63%	6.32%	11.22%	2.49%
S&P 500 Index																					
State Street	29,952,713	1.8%	2.0%	-0.53%	1.06%	29,737,689	1.7%	2.8%	4.21%	45,197,551	2.8%	2.8%	2.07%	44,455,053	2.8%	2.8%	3.61%	9.62%	6.34%	11.55%	2.70%
S&P 500				-1.44%	0.14%				4.21%				2.09%				3.60%	8.63%	6.32%	11.22%	2.49%
TOTAL LARGE CAP DOMESTIC EQUITY	490,920,317	28.8%	28.0%	-1.65%	0.25%	448,703,685	26.0%	28.0%	4.95%	451,606,348	27.8%	28.0%	2.56%	448,256,787	28.2%	28.0%	4.79%	10.93%	8.65%	13.21%	3.86%
S&P 500				-1.44%	0.14%				4.21%				2.09%				3.60%	8.63%	6.32%	11.22%	2.49%
SMALL CAP DOMESTIC EQUITY																					
Manager-of-Managers																					
SEI	118,159,224	6.9%	7.2%	-5.84%	-0.45%	176,209,384	10.2%	10.0%	13.23%	162,496,683	10.0%	10.0%	0.98%	160,738,542	10.1%	10.0%	5.49%	13.56%	9.36%	18.31%	8.00%
Russell 2000 + 200bp				-4.54%	0.81%				14.49%				1.64%				5.21%	16.86%	11.64%	21.06%	10.71%
Callan	46,149,058	2.7%	2.8%	N/A	-0.43%	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Russell 2000				N/A	0.64%																
TOTAL SMALL CAP DOMESTIC EQUITY	164,308,282	9.6%	10.0%	-5.98%	-0.45%	176,209,384	10.2%	10.0%	13.23%	162,496,683	10.0%	10.0%	0.98%	160,738,542	10.1%	10.0%	5.49%	13.40%	9.36%	18.25%	7.97%
Russell 2000				-5.02%	0.64%				13.94%				1.13%				4.69%	14.58%	9.45%	18.70%	8.50%
INTERNATIONAL EQUITY																					
Large Cap - Core																					
State Street	30,659,757	1.8%	1.8%	0.70%	-0.28%	31,571,807	1.8%	1.8%	10.03%	30,470,006	1.9%	1.8%	4.36%	31,022,932	2.0%	1.8%	10.57%	27.85%	7.68%	20.61%	6.87%
MSCI EAFE (1)				0.70%	-0.01%				9.40%				4.08%				10.38%	26.56%	9.59%	20.76%	5.94%
Large Cap - Active																					
Capital Guardian	90,688,906	5.3%	5.4%	-2.75%	0.33%	94,207,124	5.5%	5.4%	7.51%	92,716,775	5.7%	5.4%	9.45%	92,848,967	5.8%	5.4%	11.85%	28.01%	11.23%	21.32%	6.58%
LSV	88,467,369	5.2%	5.4%	-1.54%	-0.32%	94,543,981	5.5%	5.4%	11.54%	90,284,000	5.6%	5.4%	4.29%	92,394,479	5.8%	5.4%	11.55%	27.77%	N/A	N/A	N/A
Bank of Ireland	30,135,578	1.8%	1.8%	-0.84%	-0.95%	31,634,734	1.8%	1.8%	11.30%	30,113,462	1.9%	1.8%	3.30%	29,873,730	1.9%	1.8%	7.01%	22.00%	12.20%	19.16%	N/A
Total Large Cap - Active	209,291,853	12.3%	12.6%	-1.95%	-0.13%	220,385,839	12.8%	12.6%	9.75%	213,114,237	13.1%	12.6%	6.38%	215,117,176	13.5%	12.6%	11.04%	27.11%	13.74%	21.84%	7.14%
MSCI EAFE - 50% Hedged				-1.29%	0.67%				9.20%				5.84%				11.07%	26.72%	14.41%	22.56%	6.89%
Small Cap - Active																					
Lazard	29,796,115	1.7%	1.8%	-0.77%	-0.54%	31,903,944	1.8%	1.8%	11.66%	30,024,512	1.8%	1.8%	2.91%	30,579,069	1.9%	1.8%	9.67%	25.04%	19.82%	29.34%	N/A
Wellington	29,312,531	1.7%	1.8%	-2.15%	-2.18%	34,363,330	2.0%	1.8%	10.03%	31,057,641	1.9%	1.8%	5.98%	30,026,839	1.9%	1.8%	8.11%	23.35%	12.00%	25.26%	N/A
Total Small Cap - Active	59,108,647	3.5%	3.6%	-1.48%	-1.38%	66,267,274	3.8%	3.6%	10.83%	61,082,154	3.8%	3.6%	4.44%	60,605,908	3.8%	3.6%	8.90%	24.18%	15.90%	27.28%	N/A
Citigroup Broad Market Index < \$2BN				-3.18%	-2.20%				9.34%				8.94%				12.05%	29.21%	21.33%	32.38%	N/A
TOTAL INTERNATIONAL EQUITY	299,060,257	17.5%	18.0%	-1.58%	-0.39%	318,224,920	18.4%	18.0%	10.00%	304,666,397	18.7%	18.0%	5.78%	306,746,016	19.3%	18.0%	10.57%	26.61%	13.12%	22.77%	8.74%
MSCI EAFE - 50% Hedged				-1.29%	0.67%				9.20%				5.84%				11.07%	26.72%	14.41%	22.56%	6.89%
EMERGING MARKETS EQUITY																					
Core																					
Capital Guardian	-	0.0%	0.0%	N/A	N/A	-	0.0%	0.0%	N/A	15,973,631	1.0%	1.7%	9.92%	67,304,784	4.2%	3.6%	16.25%	N/A	33.94%	N/A	N/A
Ishares-Index Fund (temporary)	-	0.0%	0.9%	N/A	N/A	804	0.0%	0.9%	N/A	13,956,077	0.9%	0.9%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
JP Morgan	14,971,897	0.9%	0.9%	-4.94%	1.07%	15,817,730	0.9%	0.9%	10.51%	14,188,646	0.9%	0.9%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
PanAgora	12,920,500	0.8%	0.9%	-5.11%	0.02%	13,675,748	0.8%	0.9%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
WestLB	13,354,998	0.8%	0.0%	-1.66%	1.42%	13,646,838	0.8%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
UBS	23,382,426	1.4%	1.5%	-5.01%	-0.80%	30,526,828	1.8%	1.5%	11.62%	27,103,415	1.7%	1.5%	7.63%	23,426,635	1.5%	1.4%	N/A	N/A	N/A	N/A	N/A
Total Core	64,629,822	3.8%	4.1%	-4.26%	0.17%	73,667,949	4.3%	4.1%	11.32%	71,221,770	4.4%	4.9%	8.69%	90,731,419	5.7%	5.0%	17.05%	35.59%	33.94%	32.44%	18.61%
MSCI Emerging Markets				-4.27%	-0.21%				12.12%				7.20%				18.11%	35.91%	34.89%	22.39%	12.89%
Small Cap																					

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INVESTMENT PERFORMANCE REPORT AS OF JUNE 30, 2006**

	June-06					March-06				December-05				September-05				Current	Prior Year	3 Years	5 Years
	Allocation		Quarter	Month	Net ROR	Allocation		Quarter	Allocation		Quarter	Allocation		Quarter	Net ROR	Net ROR	6/30/2006 Net	6/30/2006 Net			
	Market Value	Actual	Policy	Net ROR		Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value					Actual	Policy	Net ROR
BBB Average Quality																					
Wells Capital	22,846,421	1.3%	1.3%	-0.66%	0.11%	21,165,881	1.2%	1.3%	-0.97%	20,484,348	1.3%	1.3%	0.56%	17,187,985	1.1%	1.3%	-1.65%	-2.70%	12.04%	3.36%	5.51%
Lehman BBB				-0.60%	0.16%				-1.20%				0.39%				-0.97%	-2.37%	8.60%	2.39%	6.10%
Private Debt																					
Prudential	23,355,569	1.4%	1.3%	-0.04%	0.07%	21,538,891	1.2%	1.2%	-0.65%	20,593,142	1.3%	1.3%	0.83%	17,068,877	1.1%	1.1%	-0.26%	-0.13%	N/A	N/A	N/A
Lehman Aggregate				-0.08%	0.21%				-0.65%				0.59%				-0.67%	-0.81%	N/A	N/A	N/A
Timberland																					
RMK	18,336,670	1.1%	1.1%	-0.34%	-4.61%	18,450,044	1.1%	1.1%	5.45%	17,420,892	1.1%	1.1%	-6.04%	18,654,838	1.2%	1.2%	-0.19%	-1.44%	14.50%	7.62%	N/A
TIR	45,629,456	2.7%	2.7%	-5.67%	-3.13%	47,402,215	2.7%	2.7%	16.70%	47,067,051	2.9%	2.9%	3.21%	46,894,851	3.0%	3.0%	-0.08%	13.53%	N/A	N/A	N/A
Total Timberland	63,966,126	3.8%	3.8%	-4.17%	-3.56%	65,852,259	3.8%	3.8%	13.66%	64,487,943	4.0%	4.0%	0.58%	65,549,689	4.1%	4.1%	-0.11%	9.43%	44.29%	20.37%	N/A
NCREIF Timberland Index				3.49%	1.15%								0.95%				0.95%	19.69%	14.07%	13.94%	N/A
TOTAL DOMESTIC FIXED INCOME	201,212,909	11.8%	12.0%	-1.82%	-1.15%	196,243,043	11.4%	12.0%	4.49%	188,754,966	11.6%	12.0%	0.70%	180,157,384	11.3%	12.0%	-0.18%	3.12%	19.23%	8.91%	8.14%
Lehman Aggregate				-0.08%	0.21%				-0.65%				0.59%				-0.67%	-0.81%	6.80%	2.05%	4.97%
HIGH YIELD BONDS																					
Core																					
Loomis Sayles	58,858,198	3.5%	3.5%	-1.55%	-0.80%	58,583,485	3.4%	3.5%	3.67%	56,509,411	3.5%	3.5%	1.36%	53,960,876	3.4%	3.5%	1.24%	4.74%	15.96%	N/A	N/A
Sutter/Wells Capital	59,079,470	3.5%	3.5%	0.30%	-4.04%	57,668,389	3.3%	3.5%	2.65%	56,177,621	3.5%	3.5%	1.38%	53,167,967	3.3%	3.5%	0.31%	4.70%	9.62%	N/A	N/A
Total Core	117,937,668	6.9%	7.0%	-0.63%	-2.45%	116,251,874	6.7%	7.0%	3.16%	112,687,032	6.9%	7.0%	1.37%	107,128,843	6.7%	7.0%	0.77%	4.72%	12.76%	5.70%	3.38%
LB High Yield 2% Issuer Contstrained Index				-0.07%	-0.56%				2.61%				0.80%				0.99%	4.38%	10.63%	N/A	N/A
Mezzanine Debt																					
Goldman Sachs	584,470	0.0%	0.0%	N/A	0.00%	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
TOTAL HIGH YIELD BONDS	118,522,137	6.9%	7.0%	-0.64%	-2.45%	116,251,874	6.7%	7.0%	3.16%	112,687,032	6.9%	7.0%	1.37%	107,128,843	6.7%	7.0%	0.77%	4.72%	12.76%	8.34%	7.47%
LB High Yield 2% Issuer Contstrained Index				-0.07%	-0.56%				2.61%				0.80%				0.99%	4.38%	10.86%	8.48%	8.60%
INTERNATIONAL FIXED INCOME																					
International Sovereign																					
UBS Global (Brinson)	41,178,053	2.4%	2.5%	3.67%	-1.09%	37,236,798	2.2%	2.5%	0.15%	37,285,185	2.3%	2.5%	-2.52%	37,619,820	2.4%	2.5%	-1.06%	0.13%	7.92%	5.24%	9.99%
Citigroup Non-US Gov't Bond Index (2)				4.05%	-1.38%				-0.18%				-2.61%				-1.24%	-0.11%	7.75%	5.01%	9.58%
International Core																					
Brandywine	41,345,085	2.4%	2.5%	2.61%	-0.82%	38,990,494	2.3%	2.5%	0.66%	38,833,022	2.4%	2.5%	-0.21%	38,230,563	2.4%	2.5%	0.80%	3.89%	11.78%	8.39%	N/A
Lehman Global Aggregate (ex-US)				4.00%	-1.40%				3.16%				-2.39%				-0.86%	3.83%	8.10%	5.69%	N/A
TOTAL INTERNATIONAL FIXED INCOME	82,523,139	4.8%	5.0%	3.13%	-0.95%	76,227,292	4.4%	5.0%	0.41%	76,118,207	4.7%	5.0%	-1.35%	75,850,384	4.8%	5.0%	-0.14%	2.01%	9.84%	6.82%	10.91%
Citigroup Non-US Gov't Bond Index (2)				4.05%	-1.38%				-0.18%				-2.61%				-1.13%	0.00%	7.75%	5.05%	9.60%
REAL ESTATE																					
INVESCO	85,969,017			7.54%	7.63%	80,652,555			5.60%	76,609,480			1.73%	75,429,387			7.19%	23.84%	22.20%	17.33%	12.38%
J.P. Morgan Strategic & Special Funds	84,215,472			4.32%	1.32%	81,572,250			4.00%	78,429,427			4.94%	74,740,673			6.33%	21.05%	19.52%	17.14%	12.52%
J.P. Morgan Alternative Property Fund	14,657,151			3.76%	0.77%	14,435,997			N/A	-			N/A	-			N/A	N/A	N/A	N/A	N/A
TOTAL REAL ESTATE	184,841,640	10.8%	9.0%	5.75%	4.16%	166,660,802	9.7%	9.0%	4.66%	155,038,907	9.5%	9.0%	3.33%	150,170,060	9.5%	9.0%	6.76%	22.09%	20.77%	17.09%	12.36%
NCREIF TOTAL INDEX				4.01%	1.32%				3.62%				5.43%				4.44%	18.67%	18.02%	15.78%	12.27%
ALTERNATIVE INVESTMENTS																					
Brinson IVCF III	615,942			7.98%	7.98%	570,439			16.68%	636,867			5.25%	605,117			-4.74%	26.32%	15.66%	19.53%	18.00%
Coral Partners V	4,926,197			9.17%	0.00%	4,512,990			-1.81%	4,597,264			1.43%	4,531,606			0.01%	8.74%	-18.97%	-15.32%	-24.06%
Coral Partners V - Supplemental	449,052			47.91%	0.00%	446,643			-18.49%	548,089			-1.04%	553,759			-7.36%	10.53%	-6.85%	10.33%	N/A
Coral Partners VI	6,921,774			-5.78%	0.00%	6,682,173			-1.01%	5,497,553			2.13%	4,441,159			-1.55%	-6.22%	-1.17%	N/A	N/A
Brinson 1998 Partnership Fund	1,317,662			8.23%	8.23%	1,217,623			0.82%	1,424,350			3.50%	1,375,868			3.17%	16.52%	19.64%	15.11%	1.97%
Brinson 1999 Partnership Fund	2,353,452			6.72%	9.50%	2,487,773			3.86%	2,395,782			0.64%	2,684,436			2.44%	14.27%	9.31%	12.72%	-1.26%
Brinson 2000 Partnership Fund	6,564,413			4.90%	4.90%	6,258,718			10.73%	5,653,355			3.70%	5,477,157			6.45%	28.22%	14.97%	17.90%	3.70%
Brinson 2001 Partnership Fund	3,946,562			6.80%	6.80%	3,695,893			5.34%	3,796,657			2.53%	3,237,697			3.91%	19.85%	4.00%	9.95%	3.22%
Brinson 2002 Partnership Fund	2,659,122			4.93%	7.54%	2,229,818			17.97%	2,092,282			3.38%	2,023,538			3.47%	32.42%	-4.22%	13.22%	N/A
Brinson 2003 Partnership Fund	644,266			4.48%	4.48%	676,065			6.05%	515,309			5.26%	402,612			7.59%	25.48%	1.71%	6.77%	N/A
Total Brinson Partnership Funds	17,485,476			5.80%	6.56%	16,565,890			8.25%	15,877,735			2.93%	15,201,308			4.56%	23.26%	9.80%	14.60%	N/A
Brinson 1999 Non-US Partnership Fund	1,204,304			33.16%	25.98%	1,200,961			12.88%	1,206,014			-1.05%	1,218,589			-5.55%	40.48%	32.09%	30.98%	18.60%
Brinson 2000 Non-US Partnership Fund	1,736,113			8.61%	8.02%	2,106,443			16.47%	1,809,015			7.48%	1,682,785			-0.69%	35.03%	15.57%	21.65%	13.01%
Brinson 2001 Non-US Partnership Fund	1,977,111			12.10%	12.10%	1,763,872			0.06%	1,602,426			3.98%	1,845,259			9.11%	27.25%	9.19%	17.46%	8.96%
Brinson 2002 Non-US Partnership Fund	2,750,113			7.18%	7.18%	2,566,159			11.87%	2,768,358			15.23%	2,187,730			-0.04%	38.11%	12.60%	22.66%	N/A
Brinson 2003 Non-US Partnership Fund	1,581,300			12.31%	12.31%	1,408,182			3.26%	1,363,969			12.34%	1,213,956			0.61%	31.08%	2.52%	8.89%	N/A
Brinson 2004 Non-US Partnership Fund	764,327			5.62%	5.62%	529,971			3.59%	511,716			9.37%	317,320			4.09%	24.56%	0.42%	N/A	N/A
Total Brinson Non-US Partnership Fund	10,013,268			12.00%	11.08%	9,575,588			8.98%	9,261,497			8.44%	8,465,638			0.99%	33.66%	15.11%	21.76%	N/A
Brinson BVCF IV	8,752,384			7.20%	0.00%	8,165,433			2.14%	7,995,650			8.77%	7,349							